

VZCZCXRO3257
OO RUEHDBU
DE RUEHKO #5028/01 2441144
ZNY SSSSS ZZH
O 011144Z SEP 06
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC IMMEDIATE 5979
INFO RUEHTA/AMEMBASSY ALMATY PRIORITY 0383
RUEHAK/AMEMBASSY ANKARA PRIORITY 0212
RUEHAH/AMEMBASSY ASHGABAT PRIORITY 0116
RUEHKB/AMEMBASSY BAKU PRIORITY 0015
RUEHBJ/AMEMBASSY BEIJING PRIORITY 4018
RUEHEK/AMEMBASSY BISHKEK PRIORITY 0157
RUEHDBU/AMEMBASSY DUSHANBE PRIORITY
RUEHBUL/AMEMBASSY KABUL PRIORITY 0365
RUEHLO/AMEMBASSY LONDON PRIORITY 1584
RUEHMO/AMEMBASSY MOSCOW PRIORITY 1216
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 8103
RUEHFR/AMEMBASSY PARIS PRIORITY 5012
RUEHRO/AMEMBASSY ROME PRIORITY 1975
RUEHNT/AMEMBASSY TASHKENT PRIORITY 0191
RHEHAAA/WHITE HOUSE WASHDC PRIORITY

S E C R E T SECTION 01 OF 03 TOKYO 005028

SIPDIS

SIPDIS

E.O. 12958: DECL: 08/31/2016

TAGS: [ECON](#) [ENRG](#) [PARM](#) [PHUM](#) [PREL](#) [ZK](#) [KZ](#) [UZ](#) [JA](#)

SUBJECT: JAPANESE PRIME MINISTER VISITS KAZAKHSTAN AND
UZBEKISTAN, PROMOTES ENERGY COOPERATION

REF: TOKYO 4661

Classified By: Acting Political Minister Counselor Carol Reynolds for r
easons 1.4(b),(d)

¶1. (C) SUMMARY: During an August 28-29 visit to Kazakhstan and Uzbekistan, Prime Minister Koizumi focused primarily on promoting cooperation in developing energy resources, particularly uranium, according to MOFA Central Asia and Caucasus Division Deputy Director Uyama. Koizumi urged Uzbekistan President Karimov to step up efforts to promote democratization, protect human rights and achieve a market-based economy. He also announced that Japan will provide \$2.8 million in education grants to permit 2,000 students from the Central Asian states to study in Japan. Both Kazakhstan's Nazarbayev and Uzbekistan's Karimov reaffirmed their support for Japan's effort to obtain a permanent seat on the UN Security Council. Despite press speculation that one purpose of the visit was to compete for influence with Russia and China, one informed local observer believes Central Asia remains a relatively low priority for Japan, and that Tokyo has no intention of outwardly competing with either Russia or China. END SUMMARY.

URANIUM DEAL, GOOD RELATIONS WITH KAZAKHSTAN

¶2. (C) Prime Minister Junichiro Koizumi's August 28 visit to Kazakhstan and August 29 stop in Uzbekistan comprised the first visit ever by a Japanese Prime Minister to Central Asia, MOFA Central Asia and Caucasus Division Deputy Director Hideki Uyama told Embassy Tokyo Political Officer on September 1. Koizumi's delegation consisted of approximately 70 officials and 40-50 members of the press. During a August 28 meeting at the Presidential Palace in Astana, Kazakh President Nazarbayev hailed the visit as "historic," and Koizumi said it signified Japan's desire to actively develop ties to Central Asia, and to Kazakhstan in particular. He praised Kazakhstan's economic development and confirmed that Japan would continue to assist with its democratization and its development of a market economy.

¶3. (C) Both leaders emphasized their desire to enhance the

level of strategic cooperation in the field of energy resources, particularly uranium mines, Uyama reported. (NOTE: Kazakhstan is said to be the world's third leading producer of uranium. Japanese firms Sumitomo Corp. and Kansai Electric Power Company have previously announced they would jointly develop a uranium mine with Kazakhstan's state-owned mining company to assure supplies for Japan's nuclear power plants, estimated to require approximately 8,000 tons a year.) During the visit, the Japanese Ambassador and the Kazakh Minister of Energy Resources signed a memorandum for coordination in the field of peaceful uses of nuclear power. Under the agreement, Kazakhstan officials and Japanese private sector representatives will "promote dialogue" regarding the joint development of uranium mines and uranium processing. The Japanese will, in turn, provide assistance to improve Kazakhstan's capabilities in the fields of nuclear nonproliferation, nuclear materials safeguards, and the protection and control of nuclear materials. As Kazakh capabilities in these fields improve to meet Japanese expectations, the two countries will then begin to negotiate a bilateral agreement on the peaceful uses of nuclear energy which will allow Japanese firms to participate in the development of nuclear energy in Kazakhstan.

14. (C) The development of other energy resources, such as oil and natural gas, was discussed only in general terms, Uyama reported. Nazarbayev expressed an interest in increased Japanese investments in sectors other than energy, including chemical manufacturing, metal processing, and electronics. Responding in part to Nazarbayev's desire to increase the number of Kazakh students studying in Japan, Koizumi announced that over the next three years Japan will

TOKYO 00005028 002 OF 003

provide \$2.8 million in education grants to permit 2,000 students from Central Asian states to study in Japan. He also pledged that Japan try to make it easier for more Kazakh students to study in Japan on an individual basis.

15. (C) With regard to the DPRK, Uyama said that Nazarbayev shared Koizumi's concerns about missile launches, nuclear weapons development, and "humanitarian issues," i.e., abductions, and agreed to establish a framework for MOFA-level consultations on the situation in Asia, including the DPRK. Finally, Nazarbayev reaffirmed Kazakhstan's support of Japan's quest to gain a permanent seat on the UN Security Council.

VISIT TO TASHKENT A BIT BUMPIER

16. (C) According to Uyama, Koizumi's visit to Tashkent was more contentious than his stop in Astana. He was received by President Karimov on August 29, meeting privately with Karimov before joining a larger meeting with other delegation members. Karimov (like Nazarbayev) initially hailed Koizumi's visit as an historic moment in Uzbek-Japanese relations and thanked him for Japan's generous ODA. He said he hoped for increased levels of Japanese investment in his country. Koizumi congratulated Karimov on the occasion of Uzbekistan's 15th anniversary of independence and underlined Japan's continued commitment to developing relations with the Central Asia states.

17. (C) Uyama said that Koizumi "carefully" raised the subject of human rights, telling Karimov that improvements in Uzbekistan's record vis-a-vis human rights, democratization, and market economy development would bring increased stability, and that Japan was ready to support Uzbekistan's efforts in these fields. Using an argument that Japan also uses with Iranians, Koizumi said that the Uzbeks should learn from Japan's history of what can happen to a country that isolates itself from the international community. In the 1930's, Japan ignored international concerns, confronted the United States, and suffered a terrible defeat in war. Since

the war, Japan has emphasized close cooperation and friendship with the United States, and this remains the basis of Japan's prosperity today. Karimov agreed that this was an important lesson and that Uzbekistan would continue its efforts to improve in these fields.

18. (C) In a later conversation over dinner, heard by only a very few people, Karimov told Koizumi that he suspected the United States was "involved" in the Andijan incident, Uyama confided. Koizumi stressed to Karimov that good relations with the United States were in Uzbekistan's strong national interest. Karimov replied that he believes U.S.-Uzbek relations will eventually improve. (NOTE: Uyama requested this exchange be strictly protected.)

19. (C) Both leaders expressed a readiness for closer cooperation in the energy field, particularly with regard to uranium, Uyama said. A number of Japanese companies are potentially interested in exploring possibilities in this field, he explained, but the Uzbeks have generally been unresponsive to their inquiries. During this visit, however, it was the Uzbeks who expressed strong interest in developing joint ventures, and the two sides agreed to begin information exchanges between the Uzbek government and Japanese companies. The next step will be for the Japanese Natural Resources Agency to contact its Uzbek counterpart. Uyama said that Uzbekistan, which holds the world's tenth largest uranium reserves, is well behind Kazakhstan in developing this resource and wants to become more competitive. Koizumi repeated the announcement he made in Kazakhstan regarding educational grants to Central Asian students.

110. (C) Concerning the DPRK, Karimov was silent and did not respond when Koizumi explained to him Japan's concerns about

TOKYO 00005028 003 OF 003

that country's development of missile and nuclear weapons technology, as well as Japan's "humanitarian concerns." Karimov did, however, reaffirm Uzbekistan's commitment to support Japan's efforts to obtain a permanent seat on the Security Council.

111. (C) Uyama said that Japan deliberately resisted issuing any type of signed documents during the Uzbekistan visit (as it had in Kazakhstan), a move that did not please the Uzbeks. The Uzbeks then insisted upon a joint press statement, but refused to include language important to the Japanese concerning human rights, democratization, and the DPRK. The Japanese refused to issue a joint press statement if it did not contain reference to these subjects and the Uzbeks only agreed to include the topics at the last minute, just hours before Koizumi's arrival. As it was, the references to human rights and democratization were watered down, referring to these concepts in general terms, rather than Uzbekistan-specific. On the subject of the DPRK, the Uzbeks initially refused to include it, using the excuse that there are over 200,000 "Koreans" in Uzbekistan and that the DPRK maintains an embassy in Tashkent. The Japanese held firm for mention of the DPRK in any joint press statement, but eventually agreed to accept "humanitarian concerns" in place of their preferred word "abductions." Uyama said the negotiations were very tough.

AN OBSERVER COMMENTS

112. (C) In a separate September 1 discussion, Takeshi Yuasa, a Senior Research Fellow at the National Institute for Defense Studies who specializes in Central Asia, told us the overall significance of Koizumi's trip is likely to be minimal. He believes that despite recent attempts to enhance relations, Central Asia remains a relatively low diplomatic priority for Tokyo. Notably, Koizumi's trip focused purely on bilateral relations and was not intended to directly advance the "Central Asia plus Japan" initiative, Yuasa

claimed, despite statements to the contrary. Nor, advised Yuasa, was it intended to provoke or compete with Russia or China, as was speculated by some Japanese media outlets. He pointed out that there is no way Japan can realistically hope to compete in Central Asia with Russia, still a formidable power which until recently exercised sovereignty over the area, or China, a superpower to the east. In fact, Tokyo should be flattered if these countries consider Japan a threat to their interests in the region, he opined. Yuasa added that Japan realizes that if it is to successfully exploit the resources of Central Asia, it would behoove it to maintain good relations with both China and Russia. He labeled Japanese hopes to develop a southern resource transportation route through Afghanistan and Pakistan as premature, particularly as he is unaware of any Japanese efforts to coordinate such plans with U.S. policies and priorities in those countries.

¶13. (C) With regard to the advancement of human rights and democracy in Uzbekistan, Yuasa was also skeptical. He opined that Karimov would have expected Koizumi to raise human rights and that Koizumi would have done so in a pro forma manner. He believes that Japan is concerned above all else with maintaining stability in the region, and fears that if Karimov's government was to be precipitously forced from office, instability could spread beyond Uzbekistan's borders.

DONOVAN